

## BUDGET (12)

### *AGENCY PLAN MISSION, GOALS AND BUDGET SUMMARY*

#### AGENCY MISSION:

The mission of the Budget Department is to compile and monitor all necessary financial planning information and make recommendations so that the City Administration can efficiently deliver quality services to preserve the public safety, promote economic development and strengthen the financial base of the City.

#### AGENCY GOALS:

1. Develop quality Departmental and Citywide financial plans.
2. Monitor conformity of Departmental activities with financial and operations plan.
3. Assist in the ongoing formulation of the Administration's priorities through systematic communication of quality fiscal analyses.
4. Provide efficient quality and user-friendly services to departments.

2002-03 <u>Requested</u>		2001-02 <u>Budget</u>	2002-03 <u>Recommended</u>	Increase (Decrease)
\$ 2,997,682	City Appropriations	\$ 3,030,615	\$ 2,982,363	\$ (48,252)
\$ 2,997,682	Total Appropriations	\$ 3,030,615	\$ 2,982,363	\$ (48,252)
\$ 2,997,682	NET TAX COST:	\$ 3,030,615	<u>\$ 2,982,363</u>	\$ (48,252)

#### AGENCY EMPLOYEE STATISTICS:

2002-03 <u>Requested</u>		2001-02 <u>Budget</u>	04-01-02 <u>Actual</u>	2002-03 <u>Recommended</u>	Increase (Decrease)
<u>31</u>	City Positions	<u>33</u>	<u>30</u>	<u>32</u>	(1)
31	Total Positions	33	30	32	(1)

#### ACTIVITIES IN THIS AGENCY:

	2001-02 <u>Budget</u>	2002-03 <u>Recommended</u>	Increase (Decrease)
Budget Operations	\$ 3,030,615	\$ 2,982,363	\$ (48,252)

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### ***BUDGET OPERATIONS ACTIVITY INFORMATION***

#### **ACTIVITY DESCRIPTION:**

The Budget Department is primarily responsible for the preparation of the annual operating and capital improvement budgets and the biennial five-year capital agenda. Critical functions are monitoring City revenues and expenditures throughout the fiscal year, and relating financial activity to the plan expressed by the budget and to the long-term strategic direction set for the City. Development, implementation, and coordination of management information systems are essential to all aspects of financial planning and control. Budget Department staff coordinate city employee travel, and perform management audits of City operations as staffing levels permit.

#### **GOALS AND OBJECTIVES:**

1. Develop quality Departmental and Citywide Financial Plans.
  - Departments have meaningful involvement in development of Departmental plans.
  - Budget staff analyzes proposals and develops needed alternatives.
  - Citywide plans reflect a special focus on the Mayor's "Kids, Cops and Clean" priorities and are consistent with the overall strategic direction set for the City.
2. Monitor conformity of Departmental activities with financial and operations plans.
  - Budget staff spends an adequate amount of time with Departmental representatives.
  - Budget variances are explained and, where possible, predicted.
3. Assist in the ongoing formulation of the Administration's priorities through systematic communication of quality fiscal analyses.
  - Budget leadership is in regular/ongoing and useful dialogue with Administration about its policy directions.
  - Budget staff has special focus on the Mayor's service priorities in ongoing analysis (pro-active).
4. Provide efficient, quality and user-friendly services to departments.
  - Staff are trained and oriented to their responsibilities.
  - The Department offers useful management information to Departments and the Administration.
  - The Department spends less time on processing activities.

#### **MAJOR INITIATIVES:**

In the coming fiscal year, as a result of a study of the telecommunications management process, the Budget Department will take ownership of the approval process for agency telecommunications purchases and services. This includes allocation of services, monitoring usage patterns, paying vendors, accurately attributing costs incurred, and tracking usage information for future service planning. This will free ITS staff to focus on negotiating new rate agreements and service packages, and on updating equipment specifications consistent with constant technological change. ITS will set standards and Budget staff will enforce them. The 2002-03 budget reflects the transfer of a Principal Clerk from ITS to process payments in citywide accounts. The operation will be housed in the Management Information and Systems Division, and will be closely linked to the Technology Steering Committee headed by ITS.

The e-Budget initiative rolled out with all 2001-02 budget documents available on the city's website. This increases access to the information while conserving paper and minimizing staff overtime. For 2002-2003, Budget staff are developing an Intranet site on which budget documents could be stored and budget processes could be communicated and expedited among city agencies.

In the current year, we re-bid the city employee travel management contract after an assessment of the travel purchase card and travel agent policy. Passageways Travel was selected as the City's Travel Agent and began providing service in November 2001, after a rollout meeting with City department travel coordinators. Travel Agent fees are distributed to agencies with their transportation costs.

The annual public budget meetings continue to center on the citizen survey, and more surveys were completed this year than in any of the four prior years (The Report of the Public Budget Meetings and Citizen Survey is also available on the city's website). October 2001 meeting attendance was less than in prior years (84), but 440 completed surveys were received from citizens because of the addition of on-line survey completion (125 surveys) and simulated meetings in six Detroit High Schools (159 surveys) to the prepaid bulk mailer option for completion

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(93 surveys). Under the Kilpatrick Administration, we will enlarge the profile of the meetings including expanding mailout and publicity plans at modest costs.

Budget staff supports the 'Act 312' binding arbitration process for Police and Fire uniformed unions with exhibits and testimony as to the fiscal ability of the City to meet union requests. Budget staff are also currently supporting the Vehicle Management Steering Committee, which was initiated in July 2001 to set citywide vehicle policy, and the City Council Budget Monitoring Task Force.

For the third year, Budget staff led specialized BRASS training sessions for all agencies, at the ITS training center in September and October 2001. Nine sessions were held, serving ninety-eight departmental staff. Staff also delivered Budget Request training in October, followed by an orientation seminar in February 2002. The orientation seminar had three sessions and served over 100 city staff.

### PLANNING FOR THE FUTURE:

The trend for public agencies is for more and better quality information flow. We have improved our core public documents each of the previous five years, and in the near future, we will roll out an Executive budget redesign intended to make information easier to use.

We want to move to a two-year budget, in order to free up agencies from minute procedural details and foster more analytical and development work (in the off-years).

A two-year operating budget is a document authorizing appropriations and anticipated revenues for two budgetary years. Budget Development and adoption occurs in one year, and longer term planning activities occur in the other. Monitoring occurs throughout both periods.

Part of this vision includes moving to activity-based costing, in which all the costs associated with a given service activity are captured and related in a measurable way. Two-year budgeting also relies on longer-term projections, and we plan to improve these on the expenditure end to complement existing major revenue forecasting.

Integrating geographic information systems (GIS) capability into our budget deliberations is also envisioned in the future. We want to better depict the neighborhood impacts of capital proposals and of budget decisions for services.

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### BUDGET OPERATIONS MEASURES AND TARGETS

Goals: Measures	1999-00 Actual	2000-01 Actual	2001-02 Projection	2002-03 Target
Develop quality departmental and city-wide financial plans: Agencies attending Budget Request Seminar	40	40	42	44
Monitor conformity of Departmental activities with financial and operations plan: Estimated General Fund expenditures as % actual	99.98%	N/A	99%	100%
Team site visits to departments	60	60	75	80
Assist in the ongoing formulation of the Administration's priorities related to the Core Services through systematic communication of quality fiscal analyses: Total citizen attendance at annual public budget meetings (2)	86	86	84	175
Management Audit reports completed	3	3	4	4
Provide efficient, quality and user-friendly services to departments: Average number of days turnaround on Personal Service contracts	10.31	10.31	10	8
Average number of days turnaround on personnel letters	12.33	12.33	10	10
Average number of days turnaround on Finance/Council letters	17.88	17.88	8	8
Average number of days between travel request and approval	6.775	6.775	5.03	4.5
Percent of department budget representatives satisfaction	100%	100%	3.84**	4.00**
Personnel letters and requisitions evaluated and processed	3,059	3059	3000	3000
Council and Finance Letters evaluated and processed	601	601	485	500
Personal Service Contracts reviewed, evaluated and processed	404	404	275	300
<b>Activity Costs</b>	<b>\$2,989,264</b>	<b>\$2,952,078</b>	<b>\$3,030,615</b>	<b>\$2,982,363</b>

\* estimated, due to systems changeover or problems

\*\* now based on 1-5 scale ratings

**CITY OF DETROIT  
BUDGET**

**Financial Detail by Appropriation and Organization**

<b>Budget Operations</b>	<b>2001-02 Redbook</b>		<b>2002-03 Dept Final Request</b>		<b>2002-03 Mayor's Budget Rec</b>	
	<b>FTE</b>	<b>AMOUNT</b>	<b>FTE</b>	<b>AMOUNT</b>	<b>FTE</b>	<b>AMOUNT</b>
<b>Budget Department Operations</b>						
<i>APPROPRIATION ORGANIZATION</i>						
00226 - Budget Department Operations						
120010 - Budget Operations	33	\$3,030,615	31	\$2,997,682	32	\$2,982,363
<b>APPROPRIATION TOTAL</b>	<b>33</b>	<b>\$3,030,615</b>	<b>31</b>	<b>\$2,997,682</b>	<b>32</b>	<b>\$2,982,363</b>
<b>ACTIVITY TOTAL</b>	<b>33</b>	<b>\$3,030,615</b>	<b>31</b>	<b>\$2,997,682</b>	<b>32</b>	<b>\$2,982,363</b>

**CITY OF DETROIT**  
**Budget Development for FY 2002 - 2003**  
**Appropriations - Summary Objects**

	<b>2001-02 Redbook</b>	<b>2002-03 Dept Final Request</b>	<b>2002-03 Mayor's Budget Rec</b>
<b>AC0512 - Budget Operations</b>			
<i>A12000 - Budget Department</i>			
SALWAGESL - Salary & Wages	1,827,063	1,770,451	1,802,364
EMPBENESL - Employee Benefi	927,040	953,309	906,077
OPERSUPSL - Operating Suppli	57,220	55,500	55,500
OPERSVCSL - Operating Servic	204,292	211,422	211,422
OTHEXPSSL - Other Expenses	15,000	7,000	7,000
<i>A12000 - Budget Department</i>	3,030,615	2,997,682	2,982,363
<b>AC0512 - Budget Operations</b>	<b>3,030,615</b>	<b>2,997,682</b>	<b>2,982,363</b>
<b>Grand Total</b>	<b>3,030,615</b>	<b>2,997,682</b>	<b>2,982,363</b>

**CITY OF DETROIT  
MAYOR'S 2002/2003 RECOMMENDED BUDGET**

**Budget Department**

<b>Appropriation Organization Classification</b>	<b>REDBOOK FY</b>		<b>DEPT REQUEST</b>		<b>MAYORS FY</b>	
	<b>2001</b>	<b>2002 FTE</b>	<b>FY 2002</b>	<b>2003 FTE</b>	<b>2002</b>	<b>2003 FTE</b>
<b>00226 - Budget Department Operations</b>						
<b>120010 - Budget Operations</b>						
Budget Director		1		1		1
Deputy Budget Director		1		1		1
General Manager - Budget		1		1		1
Manager II - Budget		3		3		3
Manager I - Budget		9		9		9
Sr Budget Analyst - Exempted		3		3		3
Senior Budget Analyst		10		9		9
Administrative Specialist I		1		1		1
Executive Secretary III		1		1		1
Executive Secretary II		1		1		1
Principal Clerk - Exempted		1		1		1
Principal Clerk		0		0		1
Senior Clerk		1		0		0
<b>Total Budget Operations</b>		<b>33</b>		<b>31</b>		<b>32</b>
<b>Total Budget Department Operations</b>		<b>33</b>		<b>31</b>		<b>32</b>
<b>Agency Total</b>		<b>33</b>		<b>31</b>		<b>32</b>